

Recommendations of Rosneft Board of Directors to the Company's Annual General Shareholders Meeting on Rosneft profit distribution based on the 2019 results, including the amount of dividends payable on Rosneft shares based on the 2019 results and the payout procedure

To recommend the Rosneft Annual (on 2019 results) General Shareholders Meeting pass the following resolutions:

1. To approve the following distribution of the Rosneft profit based on results for the fiscal year 2019:

	RUB mln
Revenue	6,827,526.41
General expenses	(6,068,900.23)
Balance of other income and costs	(411,084.53)
Profit tax, changes in deferred tax assets and liabilities, tax effect from other operations not included in the net profit (loss) for the period under review	48,984.57
Net profit	396,526.21
Expenditures out of net profit, including dividend payout:	354,085.12
1H 2019 results	162,576.05
2019 results	191,509.07
Retained amount	42,441.09

2. To pay dividends in the cash form based on 2019 fiscal year performance in the amount of 18 rubles and 07 kopecks (eighteen rubles seven kopecks) per one issued share.

To fix the date when the entities entitled to dividends are specified – June 15, 2020.

Dividends to nominee shareholders and trustees who are professional securities traders put into the Shareholders Register shall be paid out no later than June 29, 2020; and to other shareholders from the Shareholders Register - no later than July 20, 2020.

Conditions for paying dividends on Rosneft shares

Rosneft may (without any restrictions) declare and pay dividends on its shares based on the 2019 results pursuant to Article 43 the Federal Law on Joint-Stock Companies provided that:

- 1) until the General Shareholders Meeting resolves to pay dividends:
 - Rosneft charter capital remains fully paid;

- Rosneft does not buy back its shares in accordance with Article 76 of the Federal Law on Joint-Stock Companies;

2) on the date of the General Shareholders Meeting's resolution on dividend payment and on the date of the dividend payment by the Company:

- Rosneft shows no signs of insolvency (bankruptcy) under the Russian insolvency (bankruptcy) laws and no such signs appear as a result of dividend payment;
- the net asset value of Rosneft is not lower than its charter capital and reserve fund, nor becomes lower as a result of the resolution on dividend payment and the dividend payment as such (*as at 31 December 2019, Rosneft's net asset value is RUB 2,261,659,797,000 higher than its charter capital and reserve fund*).